

Message Text

LIMITED OFFICIAL USE

PAGE 01 QUITO 05063 171400Z

53

ACTION ARA-10

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06 AID-05

PC-01 EB-07 COME-00 /070 W

----- 050846

R 171330Z JUL 76

FM AMEMBASSY QUITO

TO SECSTATE WASHDC 873

INFO AMEMBASSY BOGOTA

MEMBASSY CARACAS 2033

AMCONSUL GUAYAQUIL

AMEMBASSY LA PAZ

AMEMBASSY LIMA

AMEMBASSY SANTIAGO

LIMITED OFFICIAL USE QUITO 5063

E.O. 11652: N/A

TAGS: ECIN EC

SUBJ: VENEZUELAN MISSION AND POLIVIAN OFFICIAL PRESENT OPPOSING
VIEWS TO GOE RE ANDEAN PACT; GOE REAFFIRMS ECUADOR'S
INTENTION TO REMAIN IN PACT

1. MINISTER OF INDUSTRIES, COMMERCE AND INTEGRATION GALO
MONTANO ANNOUNCED JUL Y 14 THAT ECUADOR IS PREPARED TO SIGN
DECISION 100 EVEN WITHOUT THE CONCURRENCE OF BOLIVIA AND
CHILE. "WE HAVE REAFFIRMED SERVERAL TIMES OUR INTENT TO
REMAIN WITHIN THE ANDEAN PACT," MONTANO SAID, AND HE ADDED
REMARKS TO THE EFFECT THAT ECUADOR, PERU, COLOMBIA AND
VENEZUELA HAVE TRIED TO MAINTAIN UNITY WITHIN THE ANDEAN
PACT BUT THAT THE SAME COOPERATION HAS NOT BEEN FORTHCOMING
FROM BOLIVIA AND CHILE.

2. GERMANICO SALGADO, FORMER ECUADOREAN MEMBER OF THE
ANDEAN PACT COMMISSION, HELD A CONFERENCE JUL Y15 BEFORE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 QUITO 05063 171400Z

THE ECONOMIC DEVELOPMENT CENTER (CENDES). IN HIS LENGTHY

PRESENTATION OUTLINING THE HISTORIC DIFFICULTIES OF THE PACT, SALGADO EMPHASIZED THAT IT WOULD NOT BE A DISASTER IF CHILE AND BOLIVIA LEFT THE PACT, BECAUSE THEIR MARKETS ARE RELATIVELY SMALL. HE NOTED IT MIGHT BE POSSIBLE TO HOLD OPEN THE CHILEAN AND BOLIVIAN ASSIGNMENTS, TO ALLOW A PERIOD OF READJUSTMENT AND ULTIMATELY REINTEGRATION OF THE TWO COUNTRIES IN THE ANDEAN PACT. SALGADO WAS CRITICAL OF CHILE'S ECONOMIC POLICIES AND ITS INSISTENCE ON A LOW COMMON EXTERNAL TARIFF.

3. JOSE IGNACIO CASAL, VENEZUELAN MINISTER OF DEVELOPMENT, IS NOW VISITING ECUADOR WITH A LARGE MISSION PUBLICIZED AS BEING FOR "STRENGTHENING THE ANDEAN PACT." ACCORDING TO PRESS ACCOUNTS, THE VENEZUELAN MISSION PLANS TO DISCUSS MEANS OF COOPERATION BETWEEN ECUADOR AND VENEZUELA IN IMPLEMENTING THE SECTORAL ASSIGNMENTS. ON HIS ARRIVAL, THE VENEZUELAN MINISTER SAID HE WAS OPTIMISTIC ABOUT REACHING AN AGREEMENT ON DECISION 24, BUT IMPLIED THAT VENEZUELA IS NOT KEEN TO ALTER DECISION 24 SUBSTANTIALLY

4. WILLY VARGAS, THE BOLIVIAN SECRETARY OF FOREIGN TRADE, ALSO MET WITH MONTANO JULY 15 DURING VARGAS TOUR THROUGH THE ANDEAN COUNTRIES TO DISCUSS POSSIBLE SOLUTIONS TO PROBLEMS CONFRONTING THE ANDEAN PACT. VARGAS ANNOUNCED TO THE ECUADOREAN PRESS THAT INDUSTRIAL PROGRAMMING REMAINS BOLIVIA'S REASON FOR PACT MEMBERSHIP, BUT COMMENTED THAT DECISION 24 SHOULD BE AMENDED "WHILE MAINTAINING THE SPIRIT AND OBJECTIVES."

5. COMMENT: MINISTER MONTANO, WHO HAS EXTENSIVE PERSONAL EXPERIENCE IN ANDEAN AFFAIRS AND PARTICULARLY IN THE FORMULATION OF THE ANDEAN PACT PETROCHEMICAL ASSIGNMENTS, WILL SURELY CONTINUE HIS SUPPORT OF THE ANDEAN PACT. MONTANO HAS TOLD EMBASSY OFFICERS SEVERAL TIMES THAT HE CONSIDERS CHILE'S POSITION ON THE COMMON EXTERNAL TARIFF UNTENABLE AND CONSIDERS IMPOSITION OF THE COMMON EXTERNAL TARIFF OF FAR MORE IMMEDIATE IMPORTANCE THAN REVISION OF DECISION 24, ALTHOUGH HE HAS EXPRESSED WILLINGNESS TO GO ALONG WITH LIBERALIZATION OF DECISION 24. ECUADOR ALSO URGENTLY SUPPORTS DECISION 100 SINCE ECUADOR REMAINS CHRONICALLY BEHIND IN ITS IMPLEMENTATION OF THE SECTORAL PROGRAMS, LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 QUITO 05063 171400Z

AND NEEDS THE "BREATHING SPACE" THAT DECISION 100 WOULD AFFORD.
BLOOMFIELD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEMBERSHIP, POLICIES, ECONOMIC INTEGRATION, REGIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976QUITO05063
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760276-0715
From: QUITO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760747/aaaabpgi.tel
Line Count: 110
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUL 2004 by ShawDG>; APPROVED <22 OCT 2004 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: VENEZUELAN MISSION AND POLIVIAN OFFICIAL PRESENT OPPOSING VIEWS TO GOE RE ANDEAN PACT; GOE REAFFIRMS ECUADOR'S
TAGS: ECIN, EC, ANDEAN PACT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006